GOVERNMENT OF INDIA
COAL
LOK SABHA

STARRED QUESTION NO:429
ANSWERED ON:17.04.2001
DEMAND AND SUPPLY OF COAL
NEDURUMALLI JANARDHANA REDDY;SADASHIVRAO DADOBA MANDLIK

Will the Minister of COAL be pleased to state:

(a) whether the gap between demand and supply of coal has been increasing day-by-day, particularly in the coal-based projects as reported in `The Statesman` dated February 26,2001;

(b) if so, the facts of the matter reported therein;

(c) the reaction of the Government thereto;

(d) whether the Government have chalked out any schemes to bridge the gap between demand and supply of coal to save the coal based projects; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE FOR COAL (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) to (e): A statement is laid on the Table of the House.

`STATEMENT REFERRED TO IN THE REPLIES TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.429 ANSWER ON 17.4.2001`.

(a) & (b) A news item in the Statesman of 26.2.01 about demand and supply gap of coal has been seen by the Government. The news item mentions about the increasing demand for coal from Power, Steel and Cement sectors. However, the correct figures about demand and supply gap of coal are as follows.

As per latest assessment made by Planning Commission, the gap between demand and indigenous supply of coal at the end of IX Plan is 30.06 million tons. A Committee appointed by Ministry of Coal has further assessed a gap of 162.28 million tons and 260.30 million tons at the end of X and XI Plan periods.

(c) to (e) So far the domestic coal companies have been in a position to produce and supply the required coal qualities to a great extent. Presently, the gap between demand and supply of coal is largely due to inadequate availability of the required quality of coking coal and superior grades of non-coking coal in the country. Consumers are meeting the gap through imports, which were to an extent of 19.70 million tons during 1999-2000. However, due to projected growth in the consuming sectors like Power, Cement, Steel and others, their demand for coal is likely to increase substantially at the end of X and XI Plan periods.

It will not be possible for the nationalized coal companies and captive coal mining companies to bridge this gap. In order to bridge the gap between demand and supply of coal, Government has introduced Coal Mines (Nationalization) Amendment Bill, 2000 in Rajya Sabha to allow Indian companies to do coal mining without the restriction of captive consumption and to engage in exploration of coal.